

David Schulman – October 21, 2020

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1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK  
3 Master docket No. 18-MD-2865 (LAK)  
4 Case Nos. 18-cv-09505

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6 IN RE: )  
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CUSTOMS AND TAX ADMINISTRATION OF  
THE KINGDOM OF DENMARK (SKATTEFOR  
VALTNINGEN) TAX REFUND SCHEME  
LITIGATION,

REMOTE VTC VIDEOTAPED DEPOSITION UNDER ORAL

EXAMINATION OF

DAVID SCHULMAN

DATE: October 21, 2020

REPORTED BY: MICHAEL FRIEDMAN, CCR

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1 D A V I D S C H U L M A N,

2 called as a witness, having been first  
3 duly sworn according to law, testifies as follows:  
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8 EXAMINATION BY MS. CAHAN:

9 Q Great. So good morning,

10 Mr. Schulman. My name is Valerie Cahan, an  
11 attorney at Hughes, Hubbard & Reed. We  
12 represent the plaintiff in this case,  
13 Skatteforvaltningen, I'm going to refer to  
14 them as "SKAT."

15 Thank you for agreeing to do this  
16 and agreeing to do it remotely. I hope we  
17 will not have too many technical issues.

18 Have you ever been deposed before?

19 A Yes.

20 Q And when was that?

21 A That was about 1986.

22 Q Okay. So it's been a while.

23 A Yes.

24 Q I'm going to just go over some  
25 ground rules for the deposition to help this  
move smoothly.

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1 A It looks like it.

2 Q Do you know what the purpose of  
3 this document is?

4 A Only what I've gotten from reading  
5 the cover page. And I have to admit I don't  
6 know what any of these terms mean. "Security  
7 and set off deed," I have no idea.

8 Q Did somebody tell you that you  
9 needed to sign this document?

10 A I don't recall.

11 Q Did you read this before signing?

12 A No.

13 Q Why not?

14 A Again, I am sure that Stacey sent  
15 it to me with a yellow tab, it said "Sign  
16 Here," and I signed.

17 Q Please turn to Exhibit 822?

18 MS. CAHAN: Mark this as 822.

19 (Whereupon the above mentioned was  
20 marked for Identification.)

21 A Okay.

22 Q Are you familiar with this  
23 document?

24 A No.

25 Q Is that your signature on the last

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1 page?

2 A Yes.

3 Q Did you review this document before  
4 signing it?

5 A You know, I probably looked at it.  
6 When it said "custody agreement." I just  
7 signed by the tab.

8 Q Why didn't you review this  
9 agreement before you signed it?

10 A I think custody documents are  
11 boilerplate. I didn't see any reason to  
12 review it.

13 Q How -- in what way are custody  
14 agreements boilerplate?

15 A I think it just says the same  
16 thing, that a broker dealer will keep custody  
17 of your securities. It wasn't like they were  
18 going to mail me stock certificates.

19 I don't know, but that's my limited  
20 understanding of it. I never read this  
21 document.

22 Q Did anybody tell you that you  
23 needed to sign this document?

24 A I don't know, but I believe that it  
25 was sent to me with a tab, "Sign Here."

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1 Q Sent to you by whom?

2 A I don't know the answer to that,  
3 but since all documents like this went to  
4 Stacey at Lillehammer Road, or whatever it  
5 is, and they were forwarded to me, I would  
6 assume it was Stacey or her assistant, but  
7 certainly at Stacey's direction.

8 Q Can you please turn to Exhibit 824?

9 MS. CAHAN: Mark this as 824.

10 (Whereupon the above mentioned was  
11 marked for Identification.)

12 A Okay.

13 Q Are you familiar with this  
14 document?

15 A (Witness reviewing.)

16 No.

17 Q Is that your signature on the last  
18 page?

19 A Yes.

20 Q On the first page, it says that you  
21 categorize -- that "the Riverside Associates  
22 Defined Benefit Plan will be categorized as  
23 an elective professional client."

24 Do you know what that means?

25 A No idea.

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1 document?

2 A No.

3 Q Did you sign it?

4 A Yes.

5 Q Did you read this before you signed  
6 it?

7 A No.

8 Q Why not?

9 A I was instructed to sign it by  
10 Stacey, and there was a sticker next to where  
11 my name is.

12 Q Do you see Paragraph 1, the letter  
13 starts, first paragraph, "We refer to our  
14 Terms and Conditions of Business," right?

15 And then, Paragraph 2, it says that  
16 "any non-cash assets we hold for you as  
17 collateral will be dealt with in accordance  
18 with Clause 10-B-2, Assets Transferred, and  
19 will be treated on an absolute title transfer  
20 basis."

21 A Yeah, I see it.

22 Q So did you agree to -- to various  
23 terms and conditions as this letter lays out?

24 MR. BLESSINGTON: Objection to  
25 form.